

A system and method for merchant function assumption of Internet checking and savings account transactions enables a service provider to take over all merchant type transactions and provide a merchant, such as an Internet merchant, with an approved order and appropriate credit for the transaction. A service provider server receives an electronic check or a payment instruction for the merchant from a customer. The payment instruction includes, for example, the originator's digital certificate and payment and purchase information, including the originator's checking or savings account number. The payment instruction is automatically sent to a customer's bank's server, which confirms the availability of funds for the payment. A confirmation of the availability of funds is automatically sent to the merchant, and a credit for the payment is automatically sent to the merchant's account. In addition, the service provider can consolidate order and settlement transactions, which saves transaction costs for the merchant.

C0464-176080  
WINLIB01:729328.01